



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF MARKETING MANAGEMENT**

**FACTORS AFFECTING CONSUMER PURCHASING BEHAVIOR
TOWARDS LOCAL AND IMPORTED REINFORCEMENT BARS IN THE
CASE OF SELECTED USERS IN ADDIS ABABA, ETHIOPIA**

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MAY, 2019

ADDIS ABABA, ETHIOPIA

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**BY
GETNET ENDAZENAW**

**A THESIS SUBMITTED TO ST. MARY UNIVERSITY; SCHOOL OF GRADUATE
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GETNET ENDAZENAW**

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DECLARATION

I, undersigned, declare that this thesis is my original work, prepared under the guidance of **MULATU TAKELE (PhD)**. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full in any other higher learning institutions for the purpose of earning any degree.

Name	<u>GETNET ENDAZENAW</u>
Signature
Date

CERTIFICATION

This is to certify that **Getnet Endazenaw Woldetsadik** has carried out this research work on the topic entitled “factors affecting consumer purchasing behavior towards local and imported reinforcement bars in the case of selected users in Addis Ababa, Ethiopia” under my supervision. This work is original in nature and it can be submitted in partial fulfillment of the requirements for the award of Master of Arts Degree in Marketing Management.

Advisor: **MULATU TAKELE (PhD)**

Signature _____

Date: _____

Abstract

This study was designed to identify and evaluate factors influencing the purchase decision of reinforcement bar users focusing on a set of personal, psychological and product-related factors. Data was gathered from 128 randomly selected respondents who have been constructing private residential buildings in selected sub-cities in Addis Ababa, Ethiopia. The data set was collected using a structured questionnaire designed for the purpose. The study applied qualitative and quantitative data analysis methods, including a logit model and methods for testing the statistical significance of the difference between sample proportions and consistency of user ratings. Findings of the study indicate that there is a strong and significant relationship between personal, psychological and product-related factors and customers decision in purchasing local versus imported brands of reinforcement bars. Results shows that respondent age, level of education, attitude towards product, perceived product quality and price and knowledge about product quality are important factors that significantly influence decisions in selecting alternative brands of reinforcement bars.

Keywords: consumer, purchasing behavior, consumer behavior, reinforcement bar

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CHAPTER ONE: INTRODUCTION

This chapter describes the background and the rationale of the study. It outlines the statement of the problem, the main research questions the study is set out to address, the scope and objectives of the study, the limitation of the study and the significance of research and the operational definition of key term.

1.1 Background of the study

In 21st century, the product of one country is found in other country easily. So, the products of one part of our world are considering foreign goods to the consumers of Ethiopia. To handing the market of Ethiopia customers, the firms provide many opportunities with different alternative products and services. Therefore, this study is focuses on investigation of factors affecting purchasing behavior of the customers towards local reinforcement bar products.

Nowadays companies are more concerned on individual consumer behavior. It helps them to yield information about how the consumers think, feel and choose their products. Every individual is consumer. Consumer behavior is the study of the processes involved when individual or groups select, purchase, use, or dispose of the product, service, ideas or experiences to satisfy needs and desires (Michael R. Solomon, 1998). The expand view of consumer embrace much more than the study of why and what consumer buy, but also focuses on how marketer influence consumers and how consumers use the products and services. Consumer buying behavior determines how our consumers decide to buy our product and what the various factors responsible for this decision? When Consumers make the purchases that they make, what factors influence consumer purchases and changing factors in our society? Currently the central focus of marketing is the consumer. To devise good marketing plans, it is necessary to examine consumer behavioral attributes and needs, lifestyles, and purchase processes and then make proper marketing-mix decisions. The study of Consumer behavior includes the study of what they buy, why they buy, how they buy, when they buy, from where they buy, and how often they buy (Hitesh Bhasin , 2016). An open-minded consumer-oriented approach is imperative in today's diverse global marketplace, so a firm can identify and serve its target market, minimize dissatisfaction, and stay ahead of competitors. Why consumers buy particular products has been an issue addressed in empirical and conceptual studies (Vriens & Hofstede, 2000) Market research often aims at understanding the reasons underlying consumers' product preferences.

Most methods for investigating product preference assume that preferences are based on combinations of utilities consumers get from separate product cues or attributes (Creusen & Schoormans, 1997) Differences in consumer preferences are thus expected to be related to differences in product attributes.

Reinforcement bar collectively known as reinforcing steel and reinforcement steel, is a steel bar or mesh of steel wires used as a tension device in reinforced concrete and reinforced masonry structures to strengthen and hold the concrete in tension. Reinforcement bar's surface is often patterned to form a better bond with the concrete. The most common type of reinforcement bar is carbon steel, typically consisting of hot-rolled round bars with deformation patterns. These alternate types tend to be more expensive or have lesser mechanical properties and are thus more often used in specialty construction where their physical characteristics fulfill a specific performance requirement that carbon steel does not provide. In practice, any material with sufficient tensile strength that is materially compatible with concrete could potentially be used to reinforce concrete. If a material with high strength in tension, such as steel, is placed in concrete, then the composite material, reinforced concrete, resists not only compression but also bending and other direct tensile actions. The knowledge of consumer behavior allows businesses and firms in predicting consumer intentions to purchase in-group (home-country products) or out-group (foreign products) (Zeugner-Roth et al., 2015). For the purpose of this consumers of reinforcement bar have the problem of choosing which type of product characteristics is fit with their construction. Most of them know the product with their generic name not in their quality of standard.

This study tried to identify factors determining consumers purchasing behavior of reinforcement in Addis Ababa, Ethiopia. Because it is importance studying the consumer behavior unanimously this is agreed by scholars in the field. In order to succeed in any business and especially in today's dynamic and rapidly evolving marketplace, marketers need to know everything about consumers. Peter and Olson (2010) "Marketers who have a thorough understanding of the consumer decision-making process are likely to design products, establish prices, select distribution outlets, and design promotional messages that will favorably influence consumer purchase decisions" (LeonG. Schiffman, 2007).

1.2 Statement of the problem

Analysis of consumers' buying decision has attracted great interest from academic and business communities. Producers and retailers intend to identify factors determining consumers' buying decision with regard to a particular product in order to make the product features appeal to their customers. The topic has also been a subject of inquiry for a number of studies that vary in terms of the target product, customer group and geographic area.

Despite substantial research on the determinants of consumers' purchase decisions, the majority of such research has focused especially on consumers in developed countries. As a result, there is little evidence concerning the purchase decisions of consumers in Low-Income Countries such as Ethiopia. In addition, since purchase decisions evolve with changing preferences and market circumstances, past evidence based on hitherto circumstances does not fully reflect the current situation.

Furthermore, an investigation into factors influencing consumers' choice of local versus imported brand of reinforcement bars has two important implications that are rarely addressed in the extant literature. Firstly, unlike most consumer products targeted in previous studies, reinforcement bars are used for buildings, which are constructed to last long. Hence, since the purchase decision for reinforcement bars has long term implications, factors influencing this decision might differ from factors that determine the purchase decision and choice of other products. Moreover, in an increasingly globalized market, the perceived price and quality of local versus foreign brand of substitutable products is a crucial aspect for marketers. The study is best suited to provide further evidence on whether this widely held claim.

In light of the above, this study is aimed at addressing the following important questions about the purchase decision of consumers towards local/domestic versus imported reinforcement bars products:

- What are the main personal, psychological and product related factors that influence purchase decisions in the reinforcement bar market?
- What attributes of reinforcement bars are desired by customers in Addis Ababa?
- What determines the attitude of consumers towards local reinforcement bar products?
- Which factors are more important than others in determining customers' purchase decisions?

1.3 Objectives of the study

The study is set out to achieve the following general and specific objectives:

1.3.1 General objectives

The main objective of the study was to identify and evaluate factors affecting consumers' purchasing decisions towards local and imported reinforcement bars in Addis Ababa, Ethiopia.

1.3.2 Specific objectives

The specific objectives of the study are:

- To assess consumers' perception towards local and imported reinforcement bars;
- To identify personal, psychological and product related factors affecting consumers' decision to purchase local versus imported brand of reinforcement bars; and
- To evaluate the relative importance of various determinants of purchase decisions.

1.4 Significance of the study

The study has various significances. Firstly, by identifying major features of reinforcement bars that influence customers' purchase decision, the study will help producers and retailers to design product features in a way that appeals to their customers. Findings of the study will lay basis for setting strategies to enhance customer satisfaction and to strengthen manufacturers and retailers' competitive advantage. The study will provide indications as to how producers and retailers could properly utilize their resources in order to enhance their profitability and growth.

Considering the scarcity of research on the determinants of consumers' purchase decisions towards durable products in developing countries, this study provides one of the first evidence on the issue. The study could also attract further research on the buying behavior of consumers in developing countries and will serve as a reference for subsequent research on the subject.

1.5 Scope of the study

The study targets individuals who intend to purchase reinforcement bar for use in the construction of residential buildings in Addis Ababa two sub cities Bole and Yeka.

The researcher focused on the factors affecting of purchasing behavior of the consumers toward local and imported reinforcement bars such as Perceptions, Satisfaction & Dissatisfaction, attitude, and the 4Ps of marketing and retailing mix that affect the purchasing behavior of reinforcement bar. This study mainly used primary data collected using a structured questionnaire. The questionnaire was designed to gather both quantitative and qualitative information about consumers' purchasing behavior and decisions towards local and imported reinforcement bars. The target population in this study was residents of Addis Ababa who intend to purchase reinforcement bars for the construction of residential buildings.

1.6 Limitation of the study

The main limitations of this study are outlined below. The first limitation of the study focuses on the population. Despite attempts, the researcher could not find an official record on the precise number of retailers and consumers of reinforcement bar products in Addis Ababa. In the end, a combination of systematic and random sampling techniques was employed to select respondents in the survey area. Since it is not drawn randomly from the target population, the sample may not be representative of the population of individuals building private residential houses in Addis Ababa.

It is possible that those who construct residential buildings in the two sample sub-cities might differ systematically from others who construct buildings in other sub-cities. Land prices in the two sub-cities are likely to be higher. This may discourage less affluent owners, leading to a higher concentration of more affluent households in the sample than would be the case in general. To the extent this holds, the findings of this study may not accurately represent the target population. While the current study aggregates alternative brands of reinforcement bars into imported and local, customers can have different preference for distinct brands of reinforcement bars within each brand category.

1.7 Operational definition of key terms

Terminology	Definition
Consumers:	“Consumers are individuals and households that buy the firms product for personal consumption” (Sata, 2013).
Consumer behavior:	“The field of consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on consumer and society” (Delbert Hawkins, 2010). “Consumer behavior is much more than buying things, it also embraces the study about how having or not having things affect our lives, and how one possessions influences the way we feel about ourselves and about each other-our state of being” (Naresh K. Malhotra, 2007).
Purchasing behavior:	Purchasing behavior is the decision processes and acts of people involved in buying and using products (Rani, 2014).
Consumers purchasing behavior:	“Consumer purchasing behavior refers to the buying behavior of the ultimate consumer. Consumer buying behavior is the sum total of a consumer’s attitudes, preferences, intentions and decisions regarding the consumer’s behavior in the marketplace when purchasing a product or service” (Rani, 2014).
Reinforcement bar	Reinforcement bar is a steel bar or mesh of steel wires used as a tension device in reinforced concrete and reinforced masonry structures to strengthen and hold the concrete in tension.

1.8 Organization of the study

This study is organized in to five chapters. Chapter 1 details the introductory part outlining the background to and objectives of the study, problem statement, research questions, the significance, scope and limitations of the study. Chapter 2 presents a summary of the literature review and provides a detailed account of the overall conceptual framework and theoretical foundations as well as the key concepts in relation to consumers’ purchasing behavior. Chapter 3 outlines the research methodology used, including the method employed for selecting sample respondents from the target population and the instrument for data collection. Chapter 4 revolved on presentation of data and analysis of results and finding. Finally, the last chapter provides conclusion and recommendation of the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

Introduction

In this chapter both theoretical and empirical literature were discussed. Literatures specific to the concepts or ideas of on consumer purchasing behavior were covered. The relevant conceptual issues, theoretical, empirical literatures related to the topic of the study were reviewed and based on the literature reviewed the selected conceptual framework were also presented in the chapter.

2.1 Theoretical Concepts

2.1.1 Consumer purchasing behavior

Walters (1974) defines consumer behavior as: "... the process whereby individuals decide whether, what, when, where, how, and from whom to purchase goods and services." Mowen (1993) provides a different definition by explaining consumer behavior as: "... the study of the buying units and the exchange processes involved in acquiring, consuming, and disposing of goods, services, experiences, and ideas".

This definition focuses on buying units in an attempt to include not only the individual but also groups that purchase products or services. Schiffman & Kanuk (1997), define consumer behavior as: "The behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products, services, and ideas.

Schiffman and Kanuk (1997), elaborate on the definition by explaining that consumer behavior is, therefore, the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items. It includes the study of what, why, when, where and how often they purchase and how they use the purchased product.

In addition, it encompasses all the behaviors that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs.

According to Schiffman and Kanuk (1997), two different types of consumers can be distinguished, namely personal and organizational consumers.

Personal consumers purchase products and services for personal or household use or as a gift to someone else. Personal consumers, therefore, purchase for final consumption.

Organizational consumers on the other hand purchase products and services to run an organization, including profitable and non-profitable organizations, government organizations and institutions.

According to Kotler (2004), consumers comprise both households and individuals who buy product for ultimate consumption. Krishna (2010) also considers consumers as both personal and organizational. The activity of obtaining, consuming and disposing of a given product is called consumer behavior. Generally, the study of how, what and when people buy a given product is considered as consumer behavior.

Blackwell & Engel (2006), described that before making decision, each and every consumer go through recognition, information gathering, evaluation, purchase and feedback process. After these processes consumers make a decision to choose a specific brand or product from a given market. However, environmental and individual determinants can significantly affect consumer buying behavior.

Blackwell & Engel (2006) also asserts that both individual and environmental factors are major factors that affect consumer buying behavior. Factors such as Demographics, consumer knowledge, motivation, perception, attitude, learning, life style and personality are categorized as individual factors. Whereas, environmental factors are those factors that affect consumer decision process outside the individual. They include: reference group, household, social class, culture and family.

Now a day's Ethiopia shows an incredible economic growth especially in the construction industry. Accordingly, there is high demand in construction materials. Among highly needed construction materials, reinforcement bar is the most and significant construction material. Due to this, it attracts many numbers of investors who need to produce reinforcement bar locally in different brands. Due to different factors that affect consumer behavior, consumer preference and choice regarding reinforcement bar differ accordingly.

Therefore, it has a great importance to study on the different factors that determine consumer purchasing behavior regarding reinforcement bar.

2.1.2 Factors that affecting consumer purchasing behavior

Consumer behavior is the dynamic interaction between individual and environmental factors through which people can conduct their exchange aspects of human life. Individual factors are those factors that are related to personal feelings, thought and action. On the other hand, Environmental factors are

those external factors that include: social and cultural forces in the society as well as situational and physical factors that determine consumer behavior.

According to Peter P and Olson J (2008), behavior is a dynamic interaction and communication between consumers and suppliers in the exchange process. Generally, there are four main factors that influence the behavior of consumer and these factors impacts the purchasing decision of the consumers. These are social, cultural, religious, personal and psychological factor.

According to Usunier JC (1993), culture is a combination of behavior, character and self-identification of human being. This nature can help an individual to create his own buying behavior. However, it is difficult to study culture independently since the buying behavior of consumers passes three phases. That is individual, societal and situational.

Culture is a composition of values, beliefs and customs that guide the behavior of the consumer differently from the specific society. Values and beliefs affect individual attitude on how to behave in a given situation.

In the decision-making process of the consumers, social factors are very critical. It consists from individuals and different groups that can affect decision making process positively or negatively. According to Barnes and Stuart (2010), finds that individual customers can be significantly affected by different social group who forced individual customers to follow a given standard.

Consumer behavior can also affect significantly by Gender and it is directly connected to the society mind. By simply being Male and female, customer preferences would be different, and firms need to know and respond to those different preferences that arise because of difference in gender by developing market segmentation strategy.

According to Barnes and Stuart (2010), Age also one of the great factors that determine the decision-making process of consumers. Children and adults are completely different in their preference to fulfill their need.

On the other hand religion has very important role in determining consumer purchasing behavior. It is realized by developing formation of a general order of existence and further, by clothing this formation with such an aural of factuality that the mood and motivation seems uniquely realistic (Cohen and Dibb, 2004). Through religious code of conduct and value development, religion could

positively or negatively affects consumer behavior. According to Ridge (2010), because of religion difference, the consumer decision making processes will differ since purchasing behavior is potentially influenced by cognitive action, effects and behavior.

Information process involves receiving, interpreting storing and retrieving of marketing information and linking marketing and other external factors that enable the consumer to reach decision (Jobber and Lancaster, 2006). In order to avoid misunderstanding the message by the consumer parts information has to be communicating clearly and concurrence with consumers values, attitudes and beliefs. Since they can impact the evaluation process of the alternative, attitude and beliefs are great importance in decision making process.

According to Jobber and Lancaster (2006), attitude means overall favorable and unfavorable feelings regarding purchase whereas thoughts about the product or its qualities considered as beliefs.

Barnes (2010), also states that attitude could be affected by three things: emotional response to the product (affect), consumer knowledge and belief about the product (cognition) and consumers intention to purchase the product (behavior). Consumers also affected their purchasing behavior by their own perception regarding price, quality and value.

Perception

The process of how each individual see and make sense in the given environment is called perception. According to Fill (2002), it is about selection, organization and interpretation of stimuli by individual. Depending on the way they perceive and interpret the stimuli, two different individuals would differ on their response to the same condition. This occurrence is arising from the difference between the way that a particular individual select, sort and interpret his/her stimuli and the stimuli is governed by each individual value, need and expectation (Schiffman and Hansen, 2012). Kotler also consider perception as the process of selecting, organizing and interpreting information that come from meaningful picture of the world. Choice of buying a particular product is depend on the perception of individual consumer. Therefore in the following section consumer perception regarding price, quality and value will be discussed.

1. Perceived Price

According to Zeithaml (1988), the amount of money that a consumer sacrifices to get a particular product is simply price. Donald and Scot (1989) described that there two types Price. The actual price of the product (objective price) and individual believe in regarding to the quality of the product (perceived price). On the other way, price is classified as monetary and social price. When the customer pays to certain amount money in exchange of particular product we call it monetary price. On the other hand, social price is arising when there is additional effort that the consumer should make in order to get the product (Arachchige, 2002).

Buying behavior of consumer is influenced positively or negatively due to difference that arise from their perception regarding to the price. Usually consumers attached price directly to product quality. Low price might associate with low quality, but high price is the implication of high quality. Such consumers thought like this due to firms reduce product quality to minimize their production cost and finally they conclude that high product price is a signal of high quality (Bao and Sheng, 2011).

Furthermore, consumers associate price and quality with self-esteem. Self-esteem has a positive relationship with higher price and quality. According to Forum (2011), most consumers want to eat quality food if economical situation is good.

Zeithamal (1988) described that price quality relationship is association of five factors. In the first factor, consumer perception due to advertisement and brand reputation has a great power compared to the actual price of the product at the time of purchasing decision. Consumers do not use price as a quality reference when they are not aware about price is explains well in the second factors. In the third factor, consumers use extrinsic signs like brand name and package when they do not enough knowledge for the particular product. The fourth factor explains, customers consider price as a signal of higher quality but consumers prefer products with lesser price when there is variation on the assortment of products.

2. Perceived Quality

According to Zeithaml (1988), evaluation of excellence and superiority of the product is called Quality. Different researchers argued that quality can be measured but others believed that it cannot be measured. Anselmsson and Persson (2007) also note that quality is divided into two types as objective of quality and perception of quality. Evaluation of the product by considering physical characteristics is objective of quality. On the other hand consumer's evaluation of the product based on subjective notion and attribute is considered as perception of quality.

Richard (1996) also asserts that consumer judgment of intrinsic attributes such as: nutrition value, ingredients, taste and overall quality are considered as perceived quality.

Furthermore, consumer evaluates quality based on intrinsic and extrinsic cue. Consumer perception by considering physical characteristics of the product such as flavor, size or aroma is called intrinsic cue. Whereas in extrinsic cue, attributes that have association with the product like price, peer pressure, price and package are considered. Besides, extrinsic cue is simpler to consumers because it is more familiar to them Collins (2003).

According to Hoch and Banerji (1993), level of quality relative to the imported brand and variability is the two dimensions when we talk about quality of reinforcement bar. Reinforcement bars are produced in simple technology and process and this will diffuse quality variability. On the other hand, high technology and sophisticated process is applied to produce imported brand.

Product variability creates difference on individual perception. Imported brands have less risk compared to private labels. This is because consumer will not be satisfied when there is high product variability and lower quality. Therefore, for the success of retailers of reinforcement bar price – quality is an important factor and at least the standard of firms should meet in local reinforcement bar (Richardson, 1996).

3. Perceived Risk

Consumer's doubt to the result of their decisions is called perceived risk and it is one factor that influences consumer buying decision. Many researchers assert that in order to minimize their risk, most consumers need to purchase familiar brand (Aaker, 1996 and Chaudhri, 2002). Yusuf and Hayrettin (2013), also states that during their consumption, consumer's encounters risks and it would negatively affect their attitude and they are going to tend to buy more expensive product than the cheap one.

Consumers may encounter to different types of risks during the buying or consuming the product. These are:-

- 1. Financial Risk:** It is monetary loss due to poor purchase choice and it arise from inadequate or unfamiliar brand.
- 2. Functional risk:** It is risk that the consumer feel the product may not be fit to their expectation
- 3. Physical risk:** It is a risk to harm physical health of the consumer because of consuming a particular product.
- 4. Social risk:** also called psychological risk and it is a risk that is associated with status and societal influence to buy particular product.

According to Kukar and Kent (2012), consumer has negative perception regarding risk and positive perception to quality, price and value of the product. That means lower perceived risk and higher perceived quality is the result of higher price and vice versa.

4 Perceived Value

According to Zeithamal (1988), consumers overall assessment of the utility based on “what is given” and “what is received” is called perceived value.

Price, value, quality and risk are related each other negatively or positively. For instance: quality is depending on price and it implies there is direct relation between them. Perceived value has relationship with price (Monika and Kent, 2012). William and Dhruvgreval (1991) also assert that Price and value has strong relation. That means perception of value increases when the price of the product increases and vice versa. Before they make final decision, consumers consider product quality and price. In our case, reinforcement bar has low price and it may not only considered as a low quality but also high risk to purchase for some consumers. Due to this perception, consumers need to give lower value to local product and higher value to the imported brand. Moreover, some researchers note that value is depending on consumer satisfaction. According to Slater (pp 162-167), In order to get satisfaction consumers evaluate benefit they receive for what they sacrificed. When consumers satisfied by the particular product, they perceived that that particular product has high value.

2.1.3 Buyer Decision Making Process

Buyer decision making process is simply a process by which consumers makes decision on what to buy, in what quantity and in what price. Different researchers assert that in any purchase every customer should go through five stage decision making process..

According to Jobber and Lancaster (2006), the five stage model is very important when it comes to understanding any purchase involving some detail considerations.

Need recognition or problem awareness is the beginning of the buying process. Customers recognize need to purchase some product (need to drink, cloth, house etc.) or attracted to an advertisement (seeing billboard and different Medias) at this stage.

After recognizing need to purchase, customers then going to search relevant information regarding the product and to reach purchase decision and that is the second stage of Buyer decision making process. At this stage, the customer determines whether his/her need is urgent or not and whether there is a product that can fulfill his/her need close to hand or not. If the customer need is urgent and there is a product that can fulfill his/her need, the customer need not find information rather simply use the available one. Whereas the customer should search information if his/her need is not urgent and there are no product available close to his/her hand.

The customer can get different information from different sources. For instance: family, friend, neighbors etc. (Personal source), advertising, salesperson, retailers, packaging, retailers displays (Commercial sources), newspapers, radio, magazines, television, etc. (Public sources), handling, examining, using the specific product (experiential sources). However, these sources of information will vary on their usefulness and impact on one product to other and one customer to the other. Most researchers suggest that personal sources are more influential than commercial sources.

The next stage is evaluation stage, where customers evaluate different brands or products from the available brand or product in the given market. Customer feels involved in the purchasing of the product is very important influence in the evaluation process. The degree of perceived relevance and personal importance that is given to a specific product is considered as customer's involvement. Jobber and Lancaster (2006), notes that there are three sub step in this stage. These are: choosing the preferred product, decide to purchase the preferred product and determine payment and receiving the product.

2.1.4 Satisfaction and dissatisfaction

According to Cadotte (1987), emotional state that occurs in response to the evaluation is called Satisfaction. Oliver (1997) also state that a judgment that product or its feature provided a pleasure to consumption is called Satisfaction. In order to create expected consumer outcomes for retailers and manufacturers, Satisfaction is very important and it has to be measured. Existing customer who has enough experience in using particular product in a given period of time is a base for measuring satisfaction (Aaker, 1996).

Experience from the last use of the product can use to determine purchase attitude by asking questions like “do you satisfied with the last use of the particular product?” Such type of question is suitable for this type of study in order to assess post consumption level of satisfaction. Consumers would be satisfy when they feel the price of the product that they bought was good and they conversely feel dissatisfied if they feel that they were received negative out come in their previous consumption. Therefore, perceived price, quality and risk have significant relationship with satisfaction.

The main factor that affect consumer repurchase attitude to the particular product can be level of satisfaction and it is also considered as a pre purchase measurement. By generating positive reflection sharing positive experience to others is considered as characteristics of satisfied customer. Word of mouth advertising can be considered as reflection of such type of customer. On the contrary, unsatisfied customer could engage himself to advocate complain and further negative word of mouth advertising.

Attitude

According to Chandon (2011), a set of feeling, experience and beliefs forming a tendency to act in a specific direction is called Attitude. Rao (2010), also states that Purchase intention and consumer behavior are influenced by attitude since it has psychological function. The evaluation of product in terms of its favorability and unfavorably can express attitude for a particular product.

According to Burton (1998), purchase evaluation, product evaluation and self-evaluation that is related with particular customer will make customer attitude to respond favorable and unfavorable manner regarding reinforcement bar. Therefore, in this research, positive or negative attitude towards reinforcement bar depends on customer past experience. By Minimizing cost, set low price and build positive attitude towards reinforcement bar is the main focus of reinforcement retailers. Currently, the

matter of quality has great attention due to the growing of retailing firms. Crating consumer positive attitude and balancing price and quality relationship is going to be potential research area to different researchers.

Multi attribute attitude model, which is developed by Fishbein, is used by many pervious researchers. This model comprises three models: attitude towards object, attitude towards behavior and theory of reasoned action. Consumers Attitude towards price, service, product and organizational brand are measured by attitude towards object model. On the other hand, consumer's attitude towards behaving in accordance with the particular object not to the object itself is measured by consumer attitude towards behavior. According to Schiffman and Kanuk (2004), a consumer might have negative attitude towards to purchase a particular product that have high price but he could have positive attitude towards the brand of the same product.

Intentional purchase

According to Ajzen (1992), the planned behavior of consumers to buy a particular product is considered as intentional purchase. Purchase intention and brand image have direct relation. Brand image will create through advertisement and most companies use different technique of advertisement to get consumer attention. Hashi and Mummad (2013), also assert that customer could change their interest due to advertisement. However, when customer frequently use a particular product might not be changed simply. Most of the time consumers need to purchase a particular product when they believe they got right price quality proportion (Jean Louse, 2011)

2.1.5. Marketing and Retailing Mix

Factors that affect consumer behavior have to be well known by marketers. According to Shahram (2013), there are four factors (4P's) that are included on marketing mix. That is product, price, promotion and place. Currently, marketing mix, especially in retailing, is expanded by incorporating other two factors such as presentation and personnel. These factors are directly influenced purchasing behavior of consumers regarding reinforcement bar.

2.1.5.1. Marketing Mix

Each component of the marketing mix has a direct or indirect impact on the buying process of the consumers.

The four marketing mix has different ideas in terms of consumers perspective. The 4Ps will be 4Cs by the side of consumers. Price will be the cost for the consumer to attain the product.

The product viewed by the customer as the value that satisfies the consumer need or want. The consumer requires easy and convenient situations to acquire the product which is place by marketer's perspective and mutual communication to be well informed about the product (Shahram Gilaninia, 2013).

Product: According to Kotler product is defined as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need (kotler, 2005).

According to Kotler & Armstrong (2010), product attributes such as style, quality, design and feature are significantly determine consumer reaction to the product.

Product classification can help marketers to focus their efforts and attentions based on the consumers' behavior, products broadly classified as consumer products that are bought by the final consumer for personal consumptions and business products are sold to other businesses as or used to produce other products (NCERT, 2012).

The consumer products are classified into four classes that are convenience, shopping, specialty and unsought products. Reinforcement bars are generally classified as shopping product since consumers compares on a bases of quality and price at the time of purchasing.

Product is either physical product or service, including variety of product mix, features, designs, packaging, sizes, services warrantees and return policies (Londre, 2010).

The attributes of products, including brand name, quality, newness, and comfort, can affect the consumer behavior in addition the physical appearance of the product, packaging and labeling can also influence whether consumers notice a product in store, examine it, and purchase it (Owomoyela S K,2013). If two competing brands of Reinforcement bars were equally priced most consumers would be inclined to buy the brand with the highest quality.

Price: price is a flexible and influential element, which determines the revenue/profitability/ market share for the organization. According to Bondari (2010), irrespective of other factors, Pricing provides the bases for customers to search for their suitable products that are within a particular price category. Belay (2010) also asserts that price is an important factor in determining firm's ability to compete globally.

On the customer's point price is a determinant factor since they consider the price of a product according to their income level before they buy the product.

According to Arachchige (2002), price is two types: the monetary price, a payment of certain sum by the consumer and the second one is social price, the additional effort that the customer must make in order to get access to the product.

Price differs from the other three marketing mix; Product, distribution and promotion are all part of the process of providing something satisfying to the customer which contributes to the product being value to customers. Value refers to the benefits or satisfactions of needs and wants.

Price mix includes retail/wholesale price, discounts, trade-in allowances, quantity discounts, credit terms, sales and payment periods (Londre, 2010). Other competitive factors being equal the further the price is above the industry average, is the harder for a company to use non price enticements such as quality and suitability of rebar's to overcome consumer resistance to higher prices.

According to Bucklin (1998), price can significantly influence consumer choice and incidence of purchase especially in poorer countries. That means the lower the price the higher the purchase by the consumer. However, since low price alone will not attract buyers, the effects of the lower price not to be negated by the other factors, (Arthur A.Thompson, 2010).

Place: Place is a mechanism through which goods and services are moved from the service provider and manufacturer to consumer. According to McCharthy & perreault (1993), place is where one product available in the right quantity and location.

Place mix includes distribution channels, warehousing facilities, mode of transportation and inventory control management.

Place generally referred as distribution channel. Place can be physical stores or virtual stores. The process involved to transfer products from manufacturer to the consumers is physical distribution (Singh, 2012). It is necessary to have a clear understanding of what, how, why, where, and when customers purchase, the waiting time to purchase, the convenience that facilitates the customer's buying, product variety and the service backup to design the distribution channel.

Distribution can be performed by single supplier or multiple intermediaries (Arachchige, 2002). Typical supply chain consists of four links in the chain: Producer/factory/manufacturer, distributor, wholesaler, and retailer (Londre, 2010).

Promotion: Promotion activities are meant to communicate and persuade the target market to buy the company's products (Singh, 2012). Ennew & Binks (1999) also considering promotion as an

instrument that firms uses to communicate with existing and potential customers. Marketer needs to plan strategies to attract the present and potential customers to the product. Product awareness with wholesalers, retailers, suppliers and others is made through various communication tools. The customer awareness is mostly done through company image and publicity. The message for the promotion is designed to get attention, hold the interest, arouse desires, and to perform action to buy. An appropriate tool must be designed for promotion; the most popular tools are advertising, sales promotion, public Relation and publicity, sales force and direct marketing (Arachchige, 2002).

Retailer dealers can be an important information sources, advertising on the part of Reinforcement bars producers strengthens brand awareness, inform people about the features and prices of their latest product.

2.1.5.2 Retailing mix

Retail marketing mix includes all the goods and services a store is able to offer to its consumers and also all the programmed efforts of the managers that adapt the store to market environment (Lazer, 1961). Retail market refers to a place where a group of consumers with similar needs and a group of retailers meet using a similar retail format to satisfy those consumer needs. Retail marketing mix defined as marketing tools that a retail organization uses to pursue its marketing objectives (NCERT, 2012).

Retailing mix consists of six Ps that are the four Ps of marketing mix (Product, Price, place and promotion) in addition presentation and personnel.

1 ***Presentation:*** the presentation of a retail store helps determine the store's image and position in the consumer mind. The presentation mixes are the atmosphere, the overall impression conveyed by store's physical layout, decor, and surrounding (Charles Lamb, 2013). Elements that mostly affect the store atmosphere are number of staffs, types of goods, fixture, density, music scent and visual factors.

The design and layout may affect consumer's emotion and as result of that the consumer's purchasing behavior also affected (Noermijati, 2013). The manner items is arranged on a shelf or table, in a display, the space and position given to it, and type of point of sale promotional materials such as posters, signs and others used as influencing factors (Applebaum,1951).

2. ***Personnel:*** the people working for company determine the level of service or value the company provides to the customer. Personnel are people that are differentiators as compared with the

competition whether it is pre sales, sales or post sales activities (Jhureley, 2010). The Roles, attitudes, behaviors, and friendly personality have bigger role in the success of sales of Reinforcement bars.

Reinforcement bars retailers and their store personnel want to deal with a Reinforcement bars supplier that works closely with them. Providing information to store personnel about particular quality, price and features will help to increase sales since a well informed and knowledgeable personnel can communicate easily with the customer (Arthur A. Thompson, 2010).

2.1.6 Consumer benefit package

The essence of successful marketing is the image that a product has in the mind of consumer.

Marketers of different brands in the same category can effectively differentiate their offerings only if they stress the benefits that their brands provide rather than their products' features.

The benefits featured in a product's positioning must reflect attributes that are important to and congruent with the perception of targeted consumer segment (Leon G. Schiffman, 2007). Customer benefit package is set of tangible (goods-content) and intangible (service-content) features that the customer recognizes, pays for, uses, or experiences.

Consumer benefit package (CBP) is what makes a product or service stand out to provide value to its customers and enhance what they receive from it. A customer benefit package is a method for customers to visualize the perks and advantages of the product or service so that customers can decide if they want to purchase it (Mejia, 2014). Customer benefit package has three elements that are the core, peripheral and variant. Core, is the primary product that attract customers and satisfy their basic needs (marketing management, Kotler and Kotler 14th edition). Reinforcement bars satisfies a basic human need that is related to the safety and health of individuals in terms of house construction (shelter).

Peripheral goods and services are goods and services that are adding value to the core or primary product. Currently Reinforcement bars are view an item of strategic product, to build all industries.

2.2 Empirical Studies

People used Reinforcement bars to fulfill their basic need that is to build their shelter and to show their personal status. Reinforcement bars had express different roles for people. Reinforcement bars are intended to make house, bridge, rods and to all construction purpose.

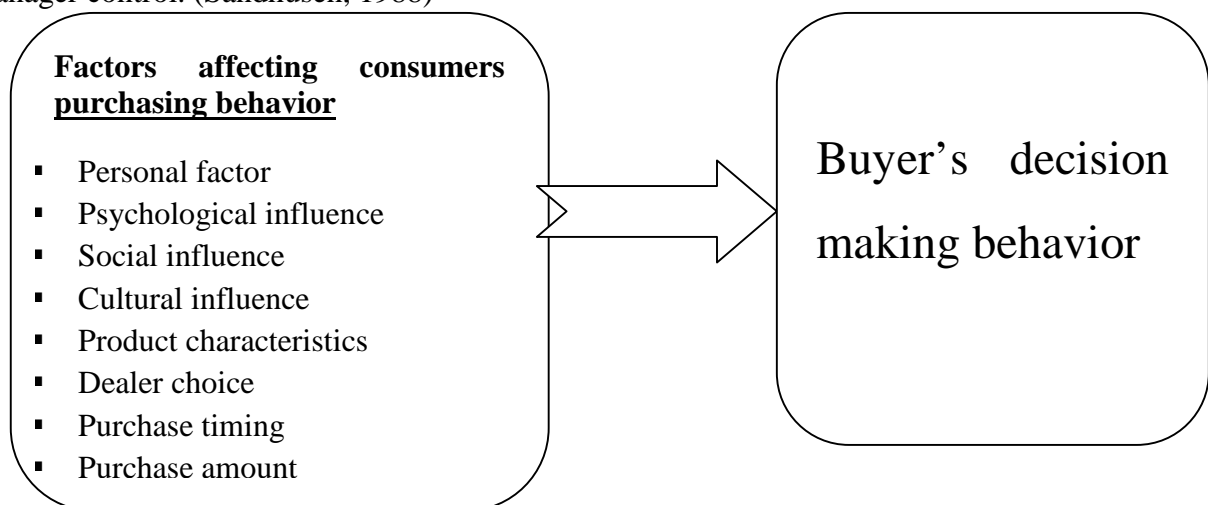
There is not research study conducted in Ethiopian or other countries for consumers purchasing behaviors towards local reinforcement bar products. But there are studies in other products in related topics, especially in footwear products. For example by Endale Adamu Factors Affecting Consumers' Shoe Preference: the Case of Addis Ketema Sub-city on Domestic versus Imported Leather Shoes showed that imported leather had superiority in comfort ability, fashion ability and range of variety while the domestic leather had in durability and price. In addition, the study tried to indicate that quality, style, price, friends and culture as the major factors influenced the consumers' preference (Adamu, 2011).

Another study done by Zemenu Aynadis showed that quality, price, attractiveness, durability, quality design, the perceived social status, brand and fashion ability of the product has contributed consumers to have positive attitude towards foreign shoes (Aynadis, 2014).

Take considerations the above studies this study will identify factors affecting consumer purchasing behavior towards local reinforcement bar products measure their significance in consumer purchase decision for Reinforcement bars in Addis Ababa, Ethiopia.

2.3 Conceptual framework

Consumer behavior focuses on when, why, how and where consumer do or do not buy products. Consumers of Reinforcement bars s might be exposed to two kinds of stimuli that are the marketing stimuli (where this research expands the marketing mix to retailing mix) which are under the control of the marketing manager and environmental stimuli, which are largely beyond the marketing manager control. (Sandhusen, 1988)



Source adopted from (Sandhusen, 1988)

CHAPTER THREE: RESEARCH METHODOLOGY

Introduction

This chapter presents the research methodology that was used for the study: description of the study area, the choice of particular research approach and design, population, source and type of data, measurement and instrument, data collection procedure, ethical consideration, data analysis techniques and finally validity and reliability test will be present.

3.1 Description of Study Area

The study areas are focused on two sub-city of Addis Ababa Town. Two sub-cities, namely Bole and Yeka, were systematically selected for their higher concentration of new residential buildings. Together, the two sub-cities comprise about 32% of the total number of residential buildings being constructed in the city.

3.2 Research Approach

As part of research method, quantitative survey design technique was mainly applied .The quantitative method was chosen to make it easy for conversion of information obtained into statistical models for general analyses to be made and the research questions to be answered based on the statistical models.

The study used mainly quantitative research approach to collect, organize and analyze the data. Quantitative research method involves studies that make use of statistical analysis to obtain finding. Creswell (2005) asserted that quantitative research is a type of research in which the researcher decides what to study, asks specific, narrow questions, collects numeric (numbered) data from participants, analyzes these numbers using statistics, and conducts the inquiry in an unbiased and objective manner, while qualitative data are narrated to substantiate data analysis results.

3.3 Research Design

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure and to address the objective. Explanatory research design was undertaken for this study, since this thesis is about the study of the factors that driven the consumer to purchase the reinforcement bar in Addis Ababa, Ethiopia. In the explanatory survey design, independent and dependent variables can be measured at the same point in time by using single questionnaire. This design is the most appropriate since it ensures that the data obtained from target population gives appropriate to answers to the structured questions.

3.4 Population of the Study

The target population in this study was residents of Addis Ababa who intend to purchase reinforcement bars for the construction of residential buildings.

Within each sub-city, the researcher selected survey participants from among individuals who obtained construction permit for a new residential building during 2008 – 2009 E.C and have already started construction. In addition, the study considered only those who have bought reinforcement bar for use in the construction of new buildings. This is done to abstract away from hypothetical scenarios and focus on factors pertaining to actual purchase. The researcher only considered those who had received permits during 2008 – 2009 E.C since (a) the majority of those who obtained permit in 2010 E.C. might not have started construction; and (b) those who obtained construction license prior to 2008 E.C. may not have fresh memory of factors considered in their decision to purchase their chosen brand of reinforcement bar.

Table 1: Number of construction permits and newly started buildings in the study area

	2008E.C.	2009 E.C.	Total
Number of construction permits provided			
<i>Yeka</i>	484	388	872
<i>Bole</i>	660	501	1161
Number of started buildings having obtained construction permit			
<i>Yeka</i>	284	217	501
<i>Bole</i>	379	268	647

Source: Records of the respective sub-city administration

3.5 Sampling and sample size

The number of construction permits provided in each sample sub-city during 2008– 2009 E.C. and the number of newly started buildings in this period are presented in Table 2.

A total of 1,148 (Records of the two sub-city administration) households had started constructing new residential building after having received license during 2008–2009 E.C. This represents the size of the target population. For this research the researcher uses percentage methods to determine the sample size.

For a 5% margin of error and 95% level of confidence, the required sample size would be 289. The final sample size was further reduced by 50%, hence to 145, due to financial limitation on the part of the researcher. Sample respondents were selected using a simple random sampling technique that is each person in the target population had an equal probability of being included in the sample.

Those who were selected for the survey were contacted by telephone to ask for their willingness to participate in the study by answering survey questions. The questionnaire is then sent to individuals who expressed their wiliness to participate. Where a selected individual declined the invitation to participate in the survey, she/he would be replaced by another person satisfying the same sampling criteria. The questionnaire was first written in English and later translated to Amharic before it is sent out to survey participants. Please see the questionnaire in the Appendix.

3.6 Data Sources, Types and Procedures

This study mainly used primary data collected using a structured questionnaire. The questionnaire, which can be found in [Appendix A](#), involves a number of close ended questions about respondent characteristics, perception about the two brands of reinforcement bars, house characteristics, etc. In addition, secondary data was gathered from reports and other official publications by the two sub-cities. In particular, information on the number of new construction permits was obtained from records of the two sub-cities. In addition, the study has used both qualitative and quantitative data.

3.7 Measurement and Instrument

Instrumentation –the type of survey used for this study was most close ended questionnaire .The use of close-ended questions on the questionnaire allows for uniformity of responses to questions. Besides, this type of structured research instruments is less costly and less time consuming than other measuring instruments. On the other hand, concerning the span of time used to conduct the survey, a cross-sectional survey type has been employed for the study. The defining feature of a cross-sectional study is that it can compare different population groups at a single point in time using a single questionnaire. Therefore, the use of cross-sectional survey allows study to compare many different variables at the same time.

3.8 Methods of Data Analysis

The questionnaire was designed to gather both quantitative and qualitative information about consumers' purchasing behavior and decisions towards local and imported reinforcement bars. The structured questionnaire has various sections intended to gather information about brand choice (local versus imported); characteristics of the residential building being constructed such the number of floors; essential considerations in the buying decision and respondent characteristics, including knowledge about product features, prior use and choice of reinforcement bars, gender, age and the level of household income. Factors potentially determining the choice between local and imported brand of reinforcement bar are identified based on lessons drawn from prior studies and informal discussions held with buyers and salesperson.

As shown in the following chapter, the collected data is described using tables and figures and analyzed further using statistical models. Statistical tests such as the Wilcoxon Test and the t-test for the difference in sample means and proportions are used to test the difference in characteristics between those who bought local brands and imported brands of reinforcement bars. Factors that determine the choice between local and imported brands is further examined using econometric models, which are described in detail below. Data analysis and estimation is performed using Logit model.

The study carrying out a quantitative research and this will involve some quantitative analysis. The analysis part incorporates and finds out the main factors which affect consumer decision preference on local and imported reinforcement bars using econometric models.

While the decision to purchase local or imported brands of reinforcement bars can be influenced by personal characteristics, psychological factors, product features and social and/or cultural factors, the focus in this study is on the first three factors. The following relationship can be used to model the decision to buy either brand as a function of the aforementioned factors:

$$y = g(\mathbf{X}, \boldsymbol{\beta}) + \varepsilon \#(1)$$

where y is a dummy indicator for brand choice taking on the value 1 if a local brand is chosen or zero otherwise; \mathbf{X} is a vector of respondent and product characteristics potentially affecting the decision whether to purchase local and foreign brands; $\boldsymbol{\beta}$ is the vector of coefficients associated with \mathbf{X} ; and ε denotes all other factors that influence this choice but are unobserved to the researcher.

If the random term ε is independent and identically distributed across alternatives and individuals, the probability of purchasing a local brand as opposed to an imported one can be estimated using a logit model

$$\Pr(y = 1|\mathbf{X}) = \frac{e^{X\boldsymbol{\beta}}}{1 + e^{X\boldsymbol{\beta}}} \#(2)$$

The estimates of the parameter-vector $\boldsymbol{\beta}$ indicate the effect of the corresponding factors on the decision to purchase a local brand of reinforcement bars relative to purchasing an imported brand.

3.9 Reliability and Validity Instruments

3.9.1 Validity Test

To ascertain the degree to which the data collection instruments measure what it is supposed to measure, the study addressed content validity through the review of literature and instruments that measure factors affecting consumers purchasing behavior was adopted from Fred (2017), Wong and Wong (2008). The content validity To ascertain the degree to which the data collection instruments measure what it is supposed to measure, the study addressed content and faced validity were checked by two experts.

3.9.2 Reliability Test

Reliability analysis is concerned with the internal consistency of the research instrument. Reliability refers to the extent to which data collection techniques or analysis procedures yield consistent findings (Saunders et al. 2009). Cronbach's Alpha is the most commonly used measure of

internal consistency/reliability when the study has Likert questions in questionnaires that form a scale and wish to determine if the scale is reliable. Therefore, in the study the questionnaire have been distributed to a sample of 20 respondents which are more than 15% of the population for the pilot test and the result of reliability are presented below.

Construct	Variables	Number of Items	Cronbach's Alpha
Brand choice	Better quality	7	0.892
	Lower price	4	0.789
	That the rebar is locally produced	2	0.813
	That the rebar is imported	2	0.750
	Trusted brand	2	0.797
	Family recommendation	3	0.824
All Variables		20	0.797

All values of the Cronbach's alpha for factors that affecting consumers purchasing behavior measure shows more than 0.7, which is supported by literature. (Hair et al. 2010). Therefore, we can conclude that the data collection instruments were acceptable as reliable

CHAPTER FOUR: RESULTS AND DISCUSSION

This chapter presents the analysis of data collected thereby highlighting empirical findings of the study. It includes a detailed account of useful information in the form of descriptive statistics, graphs, frequency tables and other statistical data presentation formats to give a graphical and simpler presentation of the data. Firstly, in order to have a clearer understanding of the data, various demographic aspects of the sample population have been explained. Then, findings regarding consumers' purchase decisions have been explained using graphical and tabular representations. In addition, results from statistical and econometric methods are used to answer research questions.

4.1 Response rate

While it was initially planned to include 145 respondents in the survey, 17 of these respondents provided incomplete response or failed to return their responses. Consequently, the analysis in this study is based on data from 128 respondents providing a satisfactory response rate of about 88 percent. The final sample size represents about 11% of the target population.

4.2 Demographic characteristics of respondents

Table 3: Number of respondents by age category

Respondent age	Frequency	Percent
18 to 30 years	20	15.62
31 to 45 years	35	27.34
46 to 55 years	54	42.19
Above 56 years	19	14.84
Total	128	100.00

Sample respondents were asked to indicate their age by marking one of four age categories, namely, 18–30 year, 31–45 year, 46–65 year or 66 years and above. A category was not defined for those below the age of 18 years. This is so since target individuals, who are primary decision-makers on matters related to the residential house being constructed, are not considered to be below the age of 18 years. About 70% of respondents belong to the age categories spanning from 31 to 55 years while 15% belong to each of the lower and higher age categories. While private financing of residential buildings is a costly affair in general, this is particularly the case for people in low age categories given their lower earning ability due to limited experience in the job market, limited or no access to mortgages and related other factors. Thus, one can expect to see a lower proportion of younger people

constructing private residential building. Similarly, unless they already have one, older people (those above the age of 56 years) may lack the resources or motivation to build a house due to a number of factors, including retirement. As shown in Table 4, about 79% of respondents were males with females comprising of only 21% of the sample participants. The gender distribution of sample respondents is reminiscent of the higher share of male-headed households in the country.

Table 4: Number of respondents by gender

Respondent's gender	Frequency	Percent
Male	101	78.91
Female	27	21.09
Total	128	100.00

All survey participants have been enrolled at school. Whereas only 14% have completed some grades at primary school, the remaining 86% have attended one or more years of education at high school, vocational school or higher education institutions. In particular, 17.19%, 48.44% and 20.31% of sample respondent have attained at least one year of education at high school, vocational school and higher education institutions, respectively.

Table 5: Number of respondents by highest education attainment

Highest education attainment	Frequency	Percent
Never enrolled at school		
Attended primary school (grade 1 – 6)	18	14.06
Attended high school (grade 7 – 12)	22	17.19
Completed vocational school	62	48.44
Attended higher education	26	20.31
Total	128	100.00

Respondents were inquired about the average monthly income of their household. Respondents were asked to mark an appropriate income category from among a wide range of income brackets that were designed to circumvent asking exact income information, which respondents might be unwilling to answer. As illustrated in Table 6, a higher share of survey respondents belongs to higher income brackets with just one in eight respondents belonging to the lower two income categories. This is conceivable considering the high cost of constructing houses.

Table 6: Number of respondents by average monthly household income

Income level	Frequency	Percent
Below ETB 10,000	8	6.25
ETB 10,001 – 20,000	13	10.16
ETB 20,001 – 30,000	18	14.06
ETB 30,001 – 40,000	27	21.09
ETB 40,001 – 50,000	24	18.75
Above ETB 50,000	38	29.69
Total	128	100.00

Residential houses being constructed by respondents range from buildings with one floor (G+0) up to four floors above the ground (G+4). Houses with one or two floors above the ground are more popular, together representing about 72.6% of houses in question. The popularity of such buildings may have been induced in part by regulations regarding the minimum floor area ratio in target municipalities. About 5.5% and 10.9% of the respondents have reported to be constructing G+4 and G+0 houses, respectively.

Table 7: Number of respondents by designed number of floors or levels of their building

Designed number of floors or levels of the building	Frequency	Percent
With no floor above the ground	14	10.94
With 1 floor above the ground	52	40.62
With 2 floors above the ground	41	32.03
With 3 floors above the ground	14	10.94
With 4 floors above the ground	7	5.47
Total	128	100.00

The sample data shows that 57% of these houses are being built in Bole Sub-City while the rest 43% are in Yeka Sub-City.

Table 8: The distribution of house between target sub-cities

Sub-city	Frequency	Percent
Bole	73	57.03
Yeka	55	42.97
Total	128	100.00

A surprising observation in the data is the fact that nearly half of the respondents had not heard about alternative brands of reinforcement bars at the time of the survey. We would expect most consumers to evaluate available alternatives before selecting the option that they believe is the best. However, this does not seem to be the case for nearly half of the respondents. One explanation for this could be that, in the presence of limited knowledge about features of reinforcement bars, buyers may tend to rely heavily on expert advice and peer choice. This is evident in the data with more than 30% of

sample respondents declaring that they have little knowledge about the quality and other features of reinforcement bars; all respondents indicating that their contractor recommendation as being important or very important; and more 75% of respondents rating information from family and peers as being important or very important.

In terms of the brand of reinforcement bars being used, 45.3% of sample respondents have used local brands while the rest 54.7% employed imported brands. It is worth noting that no respondent used a mix of both brands of reinforcement bars in the construction target buildings. About 69.5% of the respondents have reported to use reinforcement bars previously, *with a slightly greater share of respondents that had not used the product previously selecting the imported as opposed to the local brands.*

4.3 Perception towards product price and quality

The choice of a given brand is likely to depend, among other things, on respondents' attitude towards the brand. In the survey, respondents were asked to reflect on people's attitude towards local brands. About 37% indicated that there is negative or somehow negative attitude towards local brands while 39% respondents rated the general attitude towards local brands as being positive or somehow positive. The data shows that, on average, perceived positive attitude towards local brands of reinforcement bars is positively associated with the choice of such brands. The statistical significance of the difference in sample proportions between those who use local and imported brands is discussed below.

The survey questionnaire also includes questions about respondents' brand preference and their perception about the quality (price) of local brands compared to imported ones, given any perceived difference in price (quality). The question about the quality of alternative brands reads as follows:

Considering their price, how do you rate the quality of locally produced reinforcement bars compared to imported ones?

The question about the price of alternative brands was framed similarly. The share of respondents based on the response for these questions is presented in Table 9. Accordingly, none of the sample respondents considered the local brands to be very expensive or very inexpensive, with just over half of the respondents indicating that local brands are relatively less expensive. Less than one-fifth of the respondents perceived that local brands are relatively slightly more expensive given the perceived

quality difference. In contrast, lesser degree of variation is discerned in quality comparison. While about 38% of respondents indicate that local brands are better in quality, about 30% rate imported brands to be of relatively better quality with the remaining 30% of respondents reporting as the two brands represent comparable quality.

Table 9: Percent of respondents based the perceived price and quality of alternative brands

Price comparison	Percent	Quality comparison	Percent
Local brands are very expensive	0.0	Local brands have superior quality	21.1
Local brands are somehow expensive	17.2	Local brands have slightly better quality	17.2
Local brands are neither expensive nor cheap	32.0	Local brands are as good as imported brands	31.2
Local brands are slightly inexpensive	50.8	Imported brands have slightly better quality	14.8
Local brands are very inexpensive	0.0	Imported brands have superior quality	15.6

Regarding brand preference, imported reinforcement bar brands are more widely preferred to that of local ones. Survey responses indicate that, only 19% of respondents prefer local brands while 61% of respondents prefer imported brands. This is a rather large difference reflecting the wide popularity of imported brands.

4.4 Determinants of purchase decision and their relative importance

Respondents were asked to rank the importance of various factors in their choice between imported and local brands of reinforcement bars. These factors include but are not limited to the price, quality, size volume, availability and the country of origin of the reinforcement bars; customers' experience and trust in alternative brands, knowledge of the product, peer or family choice and proximity of sales point to construction site.

Some of these factors are likely to be considered as being more important than others. The Wilcoxon Signed-rank Test is used to test if there is a statistically significant difference in the ranking between a pair of factors. The average of the difference in the ranking between a pair of factors is shown in Table 10. Difference in rankings that are not statistically significant (at the 10% level) based on the Wilcoxon Signed-rank test are indicated in red font.

Table 10: Average of rank differences between pairs of factors

	Price	Size volume	Quality	Promotion	Retailers influence	Country of origin	Proximity to site	Trust in brand	Availability	Peer/family choice	Experience	Knowledge
Price		-0.6	1.2	-0.4	0.5	-0.2	-0.4	-0.4	-0.5	0.6	-0.7	0.5
Size volume	0.6		1.9	0.2	1.2	0.4	0.2	0.2	0.2	1.3	0.0	1.1
Quality	-1.2	-1.9		-1.6	-0.7	-1.4	-1.6	-1.6	-1.7	-0.6	-1.9	-0.7
Promotion	0.4	-0.2	1.6		1.0	0.2	0.0	0.0	-0.1	1.1	-0.3	0.9
Retailers influence	-0.5	-1.2	0.7	-1.0		-0.8	-1.0	-0.9	-1.0	0.1	-1.2	-0.1
Country of origin	0.2	-0.4	1.4	-0.2	0.8		-0.2	-0.2	-0.3	0.9	-0.5	0.7
Proximity to site	0.4	-0.2	1.6	0.0	1.0	0.2		0.0	-0.1	1.1	-0.3	0.9
Trust in brand	0.4	-0.2	1.6	0.0	0.9	0.2	0.0		-0.1	1.0	-0.3	0.9
Availability	0.5	-0.2	1.7	0.1	1.0	0.3	0.1	0.1		1.1	-0.2	1.0
Peer/family choice	-0.6	-1.3	0.6	-1.1	-0.1	-0.9	-1.1	-1.0	-1.1		-1.3	-0.2
Experience	0.7	0.0	1.9	0.3	1.2	0.5	0.3	0.3	0.2	1.3		1.2
Knowledge	-0.5	-1.1	0.7	-0.9	0.1	-0.7	-0.9	-0.9	-1.0	0.2	-1.2	

- Numbers in *red* font indicate that the average of importance rank differences is not significant at the 10% level.
- The numbers indicate the mean difference between the factor on the row and that on the column.
- A lower mean difference indicates that the row factor is considered more important.

The test result shows that, perceived quality and price of reinforcement bars and family and peer brand choice and recommendations were ranked consistently and statistically significantly higher than nearly all of the other factors. Another interesting result is that, on average, quality is ranked significantly higher than price. This could indicate the importance placed on quality in light of the large overall construction costs and the desire for ensuring longer durability of houses.

On the other hand, product size-volume, the proximity of sales point to construction site, retailers influence, promotion and product availability were often ranked lower than other factors, and the difference in ranks is statistically significant in many cases. The evidence that proximity is considered less important is hardly surprising considering the small share of transportation costs in the overall material cost. The high reliance on contractor information and peer choice may have caused the lower degree of importance placed on product promotion and retailer influence. It is not apparent as to why the availability of supply is assigned a relatively lower rank. If there was little or no difference in the availability of alternative brands in the past, this information may have little or no importance in the decision regarding brand choice.

4.5 The dynamics of brand choice

About 70% of sample respondents had previously used one or both brands of reinforcement bars. In particular, 28%, 30% and 12% of respondents had previously used imported, local and both brands, respectively. Most of the use had been during the three years preceding the timing of the survey.

Table 11: Number and share of respondents by past, current and future brand choices

		Past brand choice				Future brand choice		
<i>Number of respondents</i>								
		<i>Imported</i>	<i>Local</i>	<i>Both</i>	<i>Total</i>	<i>Imported</i>	<i>Local</i>	<i>Total</i>
Current brand choice	<i>Imported</i>	25	12	9	46	49	21	70
	<i>Local</i>	11	26	6	43	11	47	58
	<i>Total</i>	36	38	15	89	60	68	128
<i>Percentage of the relevant group</i>								
Current brand choice	<i>Imported</i>	69.4%	31.6%	60.0%	51.7%	81.7%	30.9%	54.7%
	<i>Local</i>	30.6%	68.4%	40.0%	48.3%	18.3%	69.1%	45.3%
	<i>Total</i>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

It is conceivable that consumer's experience of using a given brand of reinforcement bar would influence their attitude towards that brand, hence their decision in the choice between that and an alternative brand. While satisfactory experience strengthens customers' preference for a product, hence inducing the choice of the same brand in the future, negative experience may induce a switch in brand choice.

Survey results summarized in Table 11 clearly show the dynamics of choice, i.e., the tendency to which past brand choice relies on current choice and future choices depend on current choice. Accordingly, on average, more than three in four respondents who had previously used either brand of reinforcement bars is also using the same brand currently and have reported to do the same in the future. This is a high degree of persistence in brand choice with importance implication for marketers in terms of targeting potential customers. On the other hand, a greater share (60%) of those who previously used both brands are currently using imported brands.

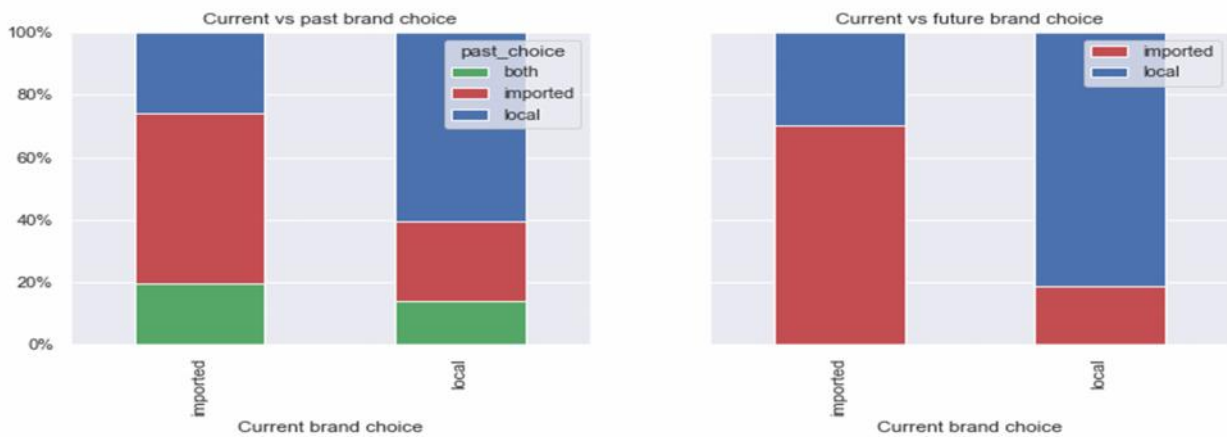


Figure 1: Brand choice: past, current and future

Respondents were asked to indicate the most important factor that would trigger a potential change in future brand choice. Accordingly, while no respondent reported price to be a very important factor in the decision for brand choice, a reduction in price is the most frequently mentioned reason for a potential switch in brand choice in the future. This is more so for those who currently use local brands, which could imply prices might have been one of the attracting features for local brands. In addition to lower prices, improved product quality is another most frequently mentioned reason for a potential change in brand choice. This is consistent with the reported importance of product quality in brand choice decisions.

Table 12: Reported reasons for a potential switch in brand choice

Reason for a potential switch in brand choice	Imported brand	Local brand	Total
Lower price	17	21	38
Better quality	19	16	35
Lack of interest in your current brand	7	7	14
That the rebar is imported	13	0	13
Trusted brand	7	3	10
Better design	4	4	8
That the rebar is locally produced	0	7	7
Promotion	3	0	3

More than 15% of the sample respondents reported that they consider product origin (i.e., being a local or imported brand) to be a deciding factor for brand choice. These are likely to be those with either very good (or poor) experience with a particular brand, which may have induced a strong preference for (or against) that brand.

4.6 Difference in sample proportion by brand choice

A test was conducted to examine any difference in sample proportions based on brand choice. This is conducted by segmenting the sample into a sub-sample of respondents who have chosen local brands and a second sub-sample comprising of individuals who have chosen imported brands; and comparing the difference between these sub-samples in terms of various respondent and product characteristics. Summary results from this test for a selected list of factors that show significant difference in proportions between the two sub-samples are reported in Table 13.

Table 13: Difference in sample proportions by brand choice

	Share who chose imported brand [A]	Share who chose local brand [B]	Difference [A-B]	Std error	p-value
Age is 18 – 30 years	0.07	0.26	-0.19	0.07	0.00
Age is 46 – 55 years	0.51	0.31	0.20	0.09	0.02
Attended primary school	0.20	0.07	0.13	0.06	0.03
Income below ETB 10 thousand	0.00	0.14	-0.14	0.05	0.00
Income within ETB 10–20 thousand	0.04	0.17	-0.13	0.06	0.02
Income Above ETB 50 thousand	0.36	0.22	0.13	0.08	0.10
House has one floor above the ground	0.04	0.19	-0.15	0.06	0.01
House has four floors above the ground	0.09	0.02	0.07	0.04	0.09
Positive attitude toward local brands	0.10	0.22	-0.12	0.07	0.05
Somehow positive attitude toward local brands	0.17	0.31	-0.14	0.08	0.06
Somehow negative attitude toward local brands	0.34	0.14	0.20	0.07	0.01
Male respondents	0.89	0.67	0.21	0.07	0.00
Rate local brands as having superior quality	0.10	0.34	-0.24	0.07	0.00
Rate local brands as having better quality	0.09	0.28	-0.19	0.07	0.00
Rate imported brands as having better quality	0.24	0.03	0.21	0.06	0.00
Rate imported brands as having superior quality	0.29	0.00	0.29	0.05	0.00
Rate local brands as being neither expensive nor cheap	0.40	0.22	0.18	0.08	0.03
Rate local brands as being slightly inexpensive	0.40	0.64	-0.24	0.09	0.01
Have strong preference for local brands	0.03	0.12	-0.09	0.05	0.04

Test results are in line with the expectation that local brands are a more popular choice among younger respondents who have a strong preference and positive attitude toward local brands and whose household income belong in the lower income categories.

Table 14: Share of respondents by monthly household income and brand choice

Level of household income	Percent who chose imported brands	Percent who chose local brands
Below ETB 10,000	0.00	6.25
ETB 10,001 – 20,000	2.34	7.81
ETB 20,001 – 30,000	6.25	7.81
ETB 30,001 – 40,000	14.06	7.03
ETB 40,001 – 50,000	12.50	6.25
Above ETB 50,000	19.53	10.16
Total	54.68	45.31

In addition, a greater proportion of respondents with higher educational achievements who build G+0 houses and consider local brands being inexpensive and having better or superior quality choose local brands of reinforcement bars. In contrast, the choice of imported brands was more prevalent among female respondents who possess a negative attitude toward local brands, are building a house with many floors (G+4), consider imported brands as being superior / better in quality and whose household income is within higher income brackets. The higher tendency of people in higher income brackets choosing imported as opposed to local brands may reflect their strong preference for quality (if foreign brands are considered superior in quality) and intention to demonstrate that their affluent lifestyle or wealth (with the generally positive attitude towards imported goods).

4.7 Econometric analysis of brand choice

This section presents results from econometric models estimated to identify factors determining the choice between local and imported reinforcement bars. The previous section was restricted to a univariate analysis of the effect of individual factors on reinforcement brand choice. Due to potential confounding effects from various sources, conclusions drawn from the univariate analysis may not hold when various factors are considered simultaneously in a more realistic framework. This is what this section addresses. Table 15 shows estimation results from the binary logit models designed to determine the importance and statistical significance of various factors that may influence the choice between local and imported brands of reinforcement bars. While many more explanatory variables were included in the model in an initial modeling stage, statistically least significant variables (those with higher p-values) were dropped.

Table 15: Estimation results from the binary logit model

<i>Dependent variable is a dummy taking on the value 1 if a local brand was chosen or 0 otherwise</i>			
Explanatory variables	(1)	(2)	(3)
Respondent is male	-1.26** (0.52)	-1.31** (0.58)	-1.01 (0.70)
Respondent age between 18–30 years	1.62** (0.63)	1.69** (0.69)	1.59* (0.88)
Respondent age between 31–45 years	0.97** (0.49)	1.23** (0.54)	1.16* (0.67)
Respondent has attended primary school	-0.94 (0.69)	-1.03 (0.70)	-1.85** (0.91)
Respondent has attended high school	-0.74 (0.57)	-1.17* (0.63)	-1.28* (0.68)
Respondent monthly income is between ETB 40–50 thousand	-0.45 (0.57)	-0.53 (0.60)	-0.24 (0.74)
Respondent monthly income is above ETB 50 thousand	-0.76 (0.49)	-0.93* (0.54)	-0.34 (0.64)
House has one floor above the ground	1.65** (0.74)	1.64** (0.77)	2.11** (0.86)
Negative attitude toward local brands		-1.29** (0.56)	-1.62** (0.76)
Somehow negative attitude toward local brands		-0.99 (0.76)	-1.69 (1.14)
Has used reinforcement bars before		1.07** (0.55)	1.73** (0.73)
Low knowledge about quality of rebar		-1.10* (0.66)	-1.14 (0.84)
Average knowledge about quality of rebar		-0.75 (0.57)	-0.98 (0.74)
Rate local brands as having superior quality			2.32*** (0.81)
Rate local brands as having slightly better quality			2.55*** (0.90)
Strongly prefers local to imported brands			0.82 (1.28)
Somehow prefers local to imported brands			0.09 (0.89)
Price is important factor in brand choice			1.54** (0.75)
Quality is a very important factor in brand choice			-0.039 (1.20)
Quality is an important factor in brand choice			-0.71 (2.04)
Country of product origin is an important factor in brand choice			0.96 (0.75)
Constant	0.66 (0.56)	1.07 (0.81)	-1.33 (2.32)
Number of respondents	128	128	128
Log likelihood value at convergence	-72.12	-64.62	-52.32

*Standard errors in parentheses; ***, ** and * respectively denote significant at the 1%, 5% and 10% levels*

The first set of results reported under column (1) are from a logit model comprising of demographic and house-specific factors, including respondent age, sex, income, education attainment and a dummy variable for whether the has just one floor above the ground. This model is then extended by including an additional set of explanatory variables. Results from this model are reported under column (2). The most comprehensive specification reported in column (3) involves a set of all target explanatory variables. Table 15 show that estimation results from the model reported under column (1) has remained largely the same under column (2) and column (3) despite the addition of further explanatory variables.

In terms of model fit, estimation results indicate that the explanatory variables included in each of the three specifications significantly explain brand choice decisions in that model.

As was the case with a simple statistical analysis presented above, being male is associated with a lower probability of choosing a local brand as opposed to an imported one. The estimates indicate that while the probability of males buying a local brand is 0.13 percentage points less than that by females, the result is not however statistically significant in the most comprehensive specification. Similarly, lower educational attainment is positively and significantly associated with the probability of choosing an imported as opposed to a local brand. In particular, compared to those who completed a higher education or a vocational school, individuals who completed primary or high school are more likely to choose an imported brand as opposed to a local brand of reinforcement bar. In line with results under the Descriptive analysis section, higher income levels are associated with a higher probability of choosing an imported as opposed to a local brand. However, the effect is not statistically significant except in the model reported under column (2). Likewise, the probability of choosing an imported brand is higher among individuals who are building a house with two or more floors above the ground. As stated earlier, this may be induced by perceived quality or strength of imported brands.

Estimation results also show that having a negative attitude towards a particular brand and having low knowledge about features of the product are associated with a lower probability of buying a local brand of reinforcement bars. While the association between respondent attitude and their buying decision is statistically significant, the estimate of the coefficient associated with low level of knowledge is only marginal significant.

Results also indicate that the probability of buying local brands is higher among individuals who consider local brands to be superior or better in quality and product prices as an important or very important factor in their buying decision. Associated estimates are statistically significant and imply that, compared to other customers, those who consider local brands as having superior or better quality and product prices as an important or very important factor in their buying decision have a 0.2 – 0.34 percentage points higher probability of choosing local brands.

While results suggest that those with strong preference towards local brands tend to have a higher probability of choosing this brand, the parameter estimates are not statistically significant.

Having used the product in the past is associated with a higher probability of choosing local brands. While may be due to positive experiences with a local brand reinforcing customer preferences the same brand, estimation results do not suggest a similar effect for imported brands.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATION

This chapter provides a brief summary of the methods and data used in the study highlights major findings obtained from the analysis. In addition, the draws conclusions based on results of the study and puts forward recommendation for marketers, manufacturers and future research.

5.1 Summary

The purpose of the study was to identify and evaluate factors influencing the purchase decision of reinforcement bar users focusing on a set of personal, psychological and product-related factors. To this end, data was collected from 128 randomly selected respondents building private residential houses in selected sub-cities in Addis Ababa, Ethiopia. The primary data used in the analysis was collected using a structured questionnaire.

Reliability and validity test were conducted in order to check the inconsistency of the data. As the reliability test confirmed the consistency of the data for the analysis, the collected data from the respondents was analyzed using statistical methods and software. The study applied qualitative and quantitative data analysis methods, including a logit model and methods for testing the statistical significance of the difference between sample proportions and consistency of user ratings.

5.2 Conclusion

The data indicate that imported reinforcement bar brands are more widely preferred to that of local ones: Only 19% of respondents reported to prefer local brands while 61% of respondents prefer imported brands. This is a rather large difference reflecting the wide popularity of imported brands.

Result shows that, perceived product quality and price and peer brand choice and recommendations were ranked consistently and statistically significantly higher than nearly all other factors considered. Results also indicate that, on average, product quality is ranked significantly higher than price. This could indicate the importance placed on quality in light of the large overall construction costs and the desire for ensuring longer durability of houses. On the other hand, product size-volume, the proximity of sales point to

construction site, retailers influence, promotion and product availability were often ranked significantly lower than other factors. The small share of transportation costs in the overall material cost may explain why proximity is considered less important. The lower degree of importance placed on promotion and retailer influence may be due to high reliance on contractor information and peer choices.

Another interesting finding of the study is the high degree of persistence between prior and current choice of brand. Between 60% - 75% of respondents who used either brand in the past are using the same brand currently and have also reported to use the same brand in the future.

Findings of the study indicate that there is a strong and significant relationship between personal, psychological and product-related factors and customers decision in purchasing local versus imported brands of reinforcement bars. Results shows that respondent age, level of education, attitude towards product, perceived product quality and price and knowledge about product quality are important factors that significantly influence decisions in selecting alternative brands of reinforcement bars.

5.3 Recommendations

Results provide valuable information for marketers to understand the behavior of consumers when purchasing reinforcement bars for residential building construction. The outcome of this research may assist retailers by providing new insights into consumers' perceptions of reinforcement bar quality, price and other product attributes. Although past studies have focused on how to enhance product quality, from a business perspective, more attention should be directed towards gaining a greater understanding as to how consumers perceive quality.

The study found that promotion and retailer influence have been assigned lower weight in customers' purchase decisions. This result suggests that advertising and promotion efforts by manufacturers and marketers have not been very successful and hence they may need to devise strategies to enhance the effectiveness of their promotion efforts.

Since experience with a particular brand is found to strongly dictate future choice, it is important that manufacturers and marketers design product features to enhance user experience as poor experience may induce customers to switch to alternative branch.

5.4 Limitations and Implication of Future Research.

While these results are valuable, it is not without limitations. The current study is based on a limited sample. For future studies on the subject, it is recommended to have a larger sample size to in order to obtain representative sample that reflects features in the target population. The analysis in the current study may be extended to include a more rigorous analysis involving the choice among individual brands and additional cultural and other factors that may influence customers' purchase decisions.

The research didn't consider the model of consumers purchasing behavior. The quantitative research was not supported by interview. If the research was supported by this method have the possibility to see the filling of consumers. Future studies using more contextual variables, additional dimensions which consider the very special nature of the sector and including all the reinforcement users in the study would be valuable to suggest a complete solution for all manufacturing firms and marketers in the reinforcement sector.

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Appendix



Appendix A: Questionnaire

Dear respondent,

My name is Getnet Endazenaw and I am a graduate student at St. Mary's University College. For my final project, I am conducting a research to examine factors influencing consumers' choice for imported and locally produced brand of reinforcement bars. You have been randomly selected for this survey from among those who are currently constructing a residential building in Bole or Yeka sub-cities. Hence, I humbly invite you to participate in this research study by completing this survey.

The questionnaire will require about 10 minutes completing, and your responses are completely anonymous and will only be used for research purposes. If you choose to participate in this project, please answer all questions to the best of your knowledge and as honestly as possible. Participation is strictly voluntary, and you may refuse to participate at any time.

Thank you for taking the time to assist me in my educational endeavors. The data collected will provide useful information regarding the key factors determining consumers' choice to buy local and imported brand of reinforcement bars. If you require additional information or have questions, you can email me at endazenawg@yahoo.com or call me on +251911215547.

I really appreciate your input!

Getnet Endazenaw

Part I: - General information

1. What is your gender?
 Male
 Female
2. How old are you?
 18 – 30 years
 31 – 45 years
 46 – 55 years
 Above 55 years

3. What is your highest level of education?
 - Never enrolled at school
 - Attended primary school (grade 6)
 - Attended high school (grade 7 – 12)
 - Completed vocational school
 - Attended higher education
4. How much is your household's average monthly income after tax?
 - Below ETB 10,000
 - ETB 10,001 – 20,000
 - ETB 20,001 – 30,000
 - ETB 30,001 – 40,000
 - ETB 40,001 – 50,000
 - Above ETB 50,000

Part II: Specific questions for reinforcement bar customers

5. Which brand or type of reinforcement bar have you used for this building?
 - Local
 - Imported
 - Both
6. What is the sub-city in which the construction is taking place?
 - Bole
 - Yeka
7. What is the designed number of floors or levels of the building?
 - G + 0 (no levels above ground floor)
 - G + 1
 - G + 2
 - G + 3
 - G + 4
 - G + 5 or more
8. Have you heard of brands of reinforcement bar other than the one you have bought?
 - Yes
 - No
9. Which one of the following reflects most people's attitude towards locally produced reinforcement bars?
 - Positive
 - Somewhat positive
 - Neutral
 - Somewhat negative
 - Negative
10. In your latest decision to purchase reinforcement bars, how important was the recommendation or information received from the followings?

	Very important	Important	So-so	Less important	Not important
Peers, neighbors and family members					
Contractors and other building experts					
Advertisement packages and salespeople					
Testing or examining the product					
Internet, consumer ratings and blogs					

11. If you were to change your buying preferences and purchase another brand instead of the one you have bought, what would be the reason for it?

- Lower price
- Promotion
- Better quality
- Better design
- Trusted brand
- That the reinforcement bar is imported
- That the reinforcement bar is locally produced
- Lack of interest in your current brand
- Something else (specify)

12. Prior to the construction of the current building, have you or your household used reinforcement bars in the construction other buildings?

- Yes
- No

13. If the answer to Question number 12 was **yes**, which brand or type of reinforcement bar did you use?

- Local
- Imported
- Both

14. If the answer to Question number 12 was **yes**, for how long have you used reinforcement bars?

- Less than 1 year
- 1 – 2 years
- 2 – 3 years
- More than 3 years

15. If you are to purchase reinforcement bars for similar construction purposes in the future, which brand of reinforcement bar will you purchase?

- Locally produced
- Imported

16. What is your level of knowledge about the features and quality of reinforcement bars?

- Low
- Average
- High
- Expert level

17. Considering their price, how do you rate the quality of locally produced reinforcement bars compared to imported ones?
- Locally produced reinforcement bars are superior in quality
 - Locally produced reinforcement bars are slightly better in quality
 - Both are similar in quality
 - Imported reinforcement bars are slightly better in quality
 - Imported reinforcement bars are superior in quality
 - I do not know or cannot say
18. Considering their quality and other features, what do you think of the price of locally produced reinforcement bars compared to imported ones?
- They are very expensive
 - They are somehow expensive
 - They are neither expensive nor cheap
 - They are slightly inexpensive
 - They are very inexpensive
19. What is your brand preference of reinforcement bars?
- I prefer strongly local brand
 - I prefer local brand
 - I prefer both local and foreign brand
 - I prefer foreign brand
 - I prefer strongly foreign brand
20. Why do you prefer to buy the type of reinforcement bar you bought? How important were the following factors in influencing your purchase decision?

		Very important	Important	So-so	Less important	Not important
1.	Price					
2.	Product size-volume					
3.	Quality					
4.	Promotion					
5.	Retailers influence					
6.	Country of origin					
7.	Proximity of sales point to construction site					
8.	Trust in product's brand					
9.	Product availability					
10.	Peer and family choice and suggestion					
11.	My experience of using the product					
12.	My knowledge about the product					



የጥናታዊ ፅሁፍ መጠይቅ

ውድ የመጠይቁ ተሳታፊዎች

ስሜ ጌትነት እንዳዘናው ሲሆን የቅድስት-ማርያም ዩኒቨርሲቲ የድህረ-ምረቃ ተማሪ ነኝ። ለመመረቂያ የመጨረሻ ሥራዬ የሆነውን ስራ በተጠቃሚዎች ብራንድ ምርጫ ሀገር ውስጥ ከሚመረቱና ከውጭ በአስመጪዎች ከሚገቡ የፌሮ ብረት ምርቶች ላይ ተፅዕኖ የሚያሳርፉ መሰረታዊ ጉዳዮችን ለማወቅ የጥናት ስራ በማከናወን ላይ እገኛለሁ። እርስዎም በቦሌ ወይም በየካ ክፍለ-ከተሞች መኖሪያ ቤት ከሚገነቡ ግለሰቦች ይህን መጠይቅ እንዲሞሉ ተመርጠዋል። ስለዚህ እርስዎ በዚህ ጥናትና ምርምር ሥራ በተዘጋጀው መጠይቅ መሠረት መረጃ በመስጠት እንዲሳተፉ በትኩረት እጋብዝዎታለሁ።

መጠይቁን ለመሙላት የሚያስፈልገው ጊዜ አስር ደቂቃ ያህል ነው፤ መጠይቁን የሚሞላው ግለሰብ ስም የማይገለፅና የሚገኘው መረጃም ለጥናት አላማ ብቻ የሚውል ነው። በዚህ የጥናት ስራ ለመሳተፍ ከመረጡ እባክዎትን ያለውትን እውቀት ሁሉ ተጠቅመው በታማኝነትና በሚችሉት ሁሉ ለሁሉም ጥያቄዎች መልስዎን ይስጡ። የእርስዎ ተሳትፎ መልካም ፍቃድዎን ብቻ ይፈልጋል። ስለሆነም በማንኛውም ጊዜ አልሳተፍም ብለው ሊቃወሙ ይችላሉ።

በትምህርቱ እንደጎለብት ጊዜዎን ወስደው ስለረዱኝ አመሰግናለሁ። የተሰበሰበው መረጃ ተጠቃሚዎች ከውጭ ሀገር ከሚገባ እና ሀገር ውስጥ ከሚመረቱ የፌሮ ብረት የግዢ ምርጫ ተፅዕኖ ማሳረፍ የሚችሉ ጉዳዮች ላይ ጠቃሚ መረጃ ይሰጣል። ተጨማሪ መረጃ ከፈለጉ ወይም ጥያቄ ካለዎት በሚከተለው የ ኢ-ሜል አድራሻዎ ወይም በስልክ ሊያገኙኝ ይችላሉ፡- endazenawg@yahoo.com ስልክ ቁጥር: 251911215547

ለሚሰጡኝ ግብዓት ከልብ አመሰግናለሁ።

ጌትነት እንዳዘናው

ክፍል 1: ጠቅላላ መረጃ

1. የእርስዎ ፆታ
 - ወንድ
 - ሴት
2. እድሜዎ ስንት ነው?
 - ከ18—30 አመት
 - ከ31—45 አመት
 - ከ 46—55 አመት
 - ከ 55 አመት በላይ

3. የተከታተሉት ከፍተኛ የትምህርት ደረጃ እስከ ስንት ነው?
- ትምህርት ለመማር አልተመዘገቡም
 - የመጀመሪያ ደረጃ ትምህርት ተከታትያለሁ (እስከ 6 ኛ)
 - እስከ ሁለተኛ ደረጃ ትምህርት ተከታትያለሁ (ከ7—12 ኛ)
 - የሙያ እና ቴክኒክ ትምህርት አጠናቅቄያለሁ
 - ከፍተኛ ትምህርት ተከታትያለሁ

4. የእርስዎ አማካኝ ወርሃዊ የቤተሰብ የተጣራ ገቢ ምን ያህል ነው?
- ከ 10,000 ብር በታች
 - ከ 10,001—20,000 ብር
 - ከ 20,001—30,000 ብር
 - ከ 30,001—40,000 ብር
 - ከ 40,001—50,000 ብር
 - ከ 50,000 ብር በላይ

ክፍል 2 : ለፌሮ ብረት ደንበኞች የቀረቡ ዝርዝር ጥያቄዎች

5. ለዚህ ህንፃ የተጠቀሙት በየትኛው ስያሜ ወይም አይነት የሚጠራውን የፌሮ ብረት ነው?
- በ ሀገር ውስጥ የተመረተ
 - ከ ውጭ ሀገር የገባ
 - ሁለቱምን አይነት
6. ግንባታውን እያተከናወኑ ያሉት በየትኛው ክፍለ ከተማ ነው?
- ቦሌ
 - የካ
7. ለዚህ ህንፃ ግንባታ የወጣለት የወለል ንድፍ(ዲዛይን) ብዛት ምን ያህል ነው?
- G+0 (ከ ምድር ቤት በቀር ሌላ ወለል የለውም)
 - G+1
 - G+2
 - G+3
 - G+4
 - G+5 ወይም በላይ
8. እርስዎ ከገዙት ውጭ በሌላ ስያሜ የሚጠራ የፌሮ ብረት ስምተዋል?
- አዎ
 - አልሰማሁም

9. ከሚከተሉት ውስጥ ሀገር ውስጥ በተመረተ የፌሮ ብረት ላይ የሚንፀባረቀው የአብዛኞቹ ሰዎች አመለካከት የትኛው ነው?

- አዎንታዊ
- በተወሰነ አዎንታዊ
- አዎንታዊም-አሉታዊም ያልሆነ
- በተወሰነ አሉታዊ
- አሉታዊ

10. በቅርቡ የፌሮ ብረት ለመግዛት ሲወሰኑ፣ እርስዎ ካገኙት አስተያየት ወይም መረጃ መካከል ከሚከተሉት ውስጥ የትኛው ምን ያህል አስፈላጊ ነበር?

የአስተያየት /መረጃ ምንጭ	በጣም አስፈላጊ	አስፈላጊ	መካከለኛ	በትንሹ አስፈላጊ	የማያስፈልግ
ከጓደኛ፣ ጎረቤት እና የቤተሰብ አባላት					
የግንባታ ተቋራጮች እና ሌሎች የህንፃ ባለሙያዎች					
የማስታወቂያ ስራዎችና የሽያጭ ስራተኞች					
ምርቱን በመጠቀም ወይም በመመርምር					
ከኢንተርኔት የተገኘ መረጃ ፣ ተጠቃሚዎች የሰጡት ደረጃ እና አስተያየት					

11. የግዢ ምርጫዎችን መቀየር ከነበረብዎት እና እርስዎ በፊት ከገዙት ይልቅ በሌላ ስያሜ የሚታወቅ ምርት መግዛት ካስፈለግዎ ምክንያቱ ምን ሊሆን ይችላል?

- ዝቅተኛ ዋጋ
- ማስታወቂያ
- ጥሩ የምርት ጥራት
- ጥሩ የምርት ገፅታ/ንድፍ
- የሚታመን የምርት ስያሜ
- የፌሮ ብረቱ የውጭ ሀገር ስለሆነ
- የፌሮ ብረቱ ሀገር ውስጥ ስለተመረተ
- አሁን በተጠቀምኩት ምርት ስያሜ/መጠሪያ ያለ አነስተኛ ፍላጎት
- ሌላ ምክንያት(ይግለፁ)-----

12. ይህ ህንፃ ከመገንባቱ በፊት እርስዎ ወይም ቤተሰብዎ ሌሎች ህንፃዎችን ለመገንባት የፌሮ ብረት ተጠቅመው ያውቃሉ?

- አዎ
- አልተጠቀምኩም

13. ለጥያቄ 12 መልስዎ “አዎ” ከሆነ በየትኛው የምርት ስያሜ ወይም አይነት የሚጠራውን የፌሮ ብረት ነው የተጠቀሙት?

- ሀገር ውስጥ የተመረተ
- ከውጭ ሀገር የገባ
- ሁለቱን አይነት

14. ለጥያቄ 12 መልስዎ “አዎ” ከሆነ ለምን ያህል ጊዜ የፌሮ ብረት ተጠቅመዋል?

- ከ አንድ አመት ያነሰ
- ከ 1—2 አመት
- ከ 2—3 አመት
- ከ 3 አመት በላይ

15. ወደፊት የፌሮ ብረት ገዝተው ለተመሳሳይ የግንባታ ሥራ አላማ መጠቀም ካስፈለግዎ፤ በየትኛው የምርት ስያሜ የሚጠራውን የፌሮ ብረት ይገዛሉ?

- ሀገር ውስጥ የተመረተ
- ከውጭ ሀገር የገባ

16. በፌሮ ብረት ባህሪ እና ጥራት ላይ ያለዎት የእውቀት ደረጃ ምን ያህል ነው?

- ዝቅተኛ
- መካከለኛ
- ከፍተኛ
- በባለሙያ ደረጃ

17. ዋጋቸውን ታሳቢ በማድረግ ሀገር ውስጥ የሚመረቱ የፌሮ ብረቶችን ከውጭ ሀገር ከሚገቡት አንጻር እንዴት ለጥራታቸው ደረጃ ይሰጣሉ?

- ሀገር ውስጥ የሚመረቱ የፌሮ ብረቶች ጥራታቸው ከፍተኛ ናቸው
- ሀገር ውስጥ የሚመረቱ የፌሮ ብረቶች ጥራታቸው በትንሹ ጥሩ ናቸው
- ሁለቱም አይነት ብረቶች ተመሳሳይ ጥራት አላቸው
- ከውጭ ሀገር የገቡ የፌሮ ብረቶች ጥራታቸው በትንሹ ጥሩ ናቸው
- ከውጭ ሀገር የገቡ የፌሮ ብረቶች ጥራታቸው ከፍተኛ ናቸው
- አላውቅም / ምንም ለማለት አልችልም

18. የጥራት ደረጃቸውን እና ሌሎችን ባህሪያት ታሳቢ በማድረግ፤ ሀገር ውስጥ የሚመረቱ የፌሮ ብረቶች ከውጭ ሀገር ከሚገቡት አንጻር በዋጋቸው ላይ ያለህ ሃሳብ ምን ይመስላል?

- በጣም ውድ ናቸው
- በተወሰነ ደረጃ ውድ ናቸው
- ውድም እርካሽም አይሉም
- በትንሹ እርካሽ ናቸው
- በጣም እርካሽ ናቸው

19. በየትኛው አይነት/ስያሜ የሚጠራውን የፌሮ ብረት ይመርጣሉ?

- የሀገር ውስጡን በጣም እምርጣለሁ
- የሀገር ውስጡን እምርጣለሁ
- የሀገር ውስጡንም የውጭ ሀገሩንም እምርጣለሁ
- የውጭ ሀገሩን እምርጣለሁ
- የውጭ ሀገሩን በጣም እምርጣለሁ

20. ይህን አይነት የፌሮ ብረት መርጠው ሊገዙ የቻሉት በምን ምክንያት ነው? የሚከተሉት ምክንያቶች በእርስዎ የግዢ ውሳኔ ላይ ምን ያህል ተፅኖ ማሳረፍ ችለዋል?

ተ.ቁ	ምክንያቶች	በጣም አስፈላጊ	አስፈላጊ	መካከለኛ	በትንሹ አስፈላጊ	የማያስፈልግ
1	ዋጋ					
2	የምርት መጠን ይዘት					
3	ጥራት					
4	ማስታወቂያ					
5	የቸርቻሪዎች ተፅኖ					
6	የተመረተበት ሀገር					
7	የመሸጫ ቦታ ከግንባታ ቦታ ያለው ቅርበት					
8	በምርቱ ስያሜ ላይ ያለ አመኔታ					
9	የምርቱ አቅርቦት					
10	የጓደኛ እና የቤተሰብ ምርጫና ጥቆማ					
11	ምርቱን የመጠቀም ልምድ					
12	በምርቱ ላይ ያለኝ እውቀት					

Appendix B: Marginal effects from the logit model

Table 16: Marginal effects from the logit model in equation (3)

Variable	Marginal effect	Standard error
Respondent is male	-0.13	0.09
Respondent age: 18–30 years	0.21*	0.11
Respondent age: 31–45 years	0.15*	0.08
Attended primary school	-0.24**	0.11
Attended high school	-0.17**	0.08
Household monthly income ETB 40–50 thousand	-0.03	0.10
Household monthly income above ETB 50 thousand	-0.04	0.08
House has one floor above ground	0.28***	0.10
Have negative attitude toward local brands	-0.21**	0.09
Have somehow negative attitude toward local brands	-0.22	0.15
Have used reinforcement bars before	0.23***	0.09
Have low knowledge about quality of reinforcement bars	-0.15	0.11
Have average knowledge about quality of reinforcement bars	-0.13	0.09
Rate local brands as having superior quality	0.30***	0.09
Rate local brands as having slightly better quality	0.34***	0.10
Strongly prefers local to imported brands	0.11	0.17
Somehow prefers local to imported brands	0.01	0.12
Considers price as an important factor in brand choice	0.20**	0.09
Considers quality as a very important factor in brand choice	-0.01	0.26
Considers quality as an important factor in brand choice	-0.09	0.27
Considers country of product origin as an important factor in brand choice	0.13	0.10

*Standard errors in parentheses; ***, ** and * respectively denote significant at the 1%, 5% and 10% levels*